

## Salary Ceilings for Nursing Facilities for FYE 6/30/06

<u>Position</u>	<u>FY05*</u>	<u>FY06*</u>
Administrator:		
0 – 49 beds	72,241	74,769
50 – 74 beds	84,263	87,212
75 – 99 beds	96,292	99,662
100 – 149 beds	104,325	107,976
150+      beds	108,321	112,112
Asst. Administrator:		
0 – 49 beds		
50 – 74 beds		
75 – 99 beds	52,180	54,006
100 – 149 beds	56,182	58,148
150+      beds	64,211	66,458
Dietary Supervisor	48,145	49,830
Social Worker	48,145	49,830
Director of Nursing	56,183	58,149
Maintenance Supervisor	52,180	54,006
Activities/Social Service Director	48,145	49,830
Bookkeeper	44,146	45,691
Office Supervisor	44,146	45,691

\*These salary ceilings should be applied only to individuals who are non-owner related parties. Salaries for nursing home owners should be limited to \$100,000. The effective date of this change was July 1, 2001, with the use of the 2000 cost report.

### Home Office Salaries

- A. •A “per bed” approach is used to establish annual limits for home office salaries\*. Based on the 70<sup>th</sup> percentile, the following caps would be set for the 2006 cost report:

<u>Position</u>	<u>Salary Cap Per Bed (70<sup>th</sup> Percentile)</u>
CEO	\$440
COO	368
CFO	150

- Salaries for all other positions should be limited to the CFO cap. Fringe benefits costs should be adjusted accordingly.
- B. The maximum allowable expense for fees paid to members of a facility’s board of directors is \$2,138 per member per year.
- C. For fees paid to medical directors, the following general ceilings have been established:
- |          |          |          |          |
|----------|----------|----------|----------|
| bed size | 0-100    | 101-200  | 200+     |
| amount   | \$21,970 | \$29,294 | \$36,616 |
- D. For expenses related to vehicles, a general guideline of one vehicle for each one hundred beds or portion thereof has been established. If a facility reports property costs or operation costs for more vehicles than the guideline suggests, the facility should be informed that disallowance would be made unless the facility could justify its high number of vehicles. If any justification is offered, the auditor should exercise his/her judgement in waiving the disallowance. Also, continue your review of vehicles comparing the lower of IRS or Medicare limits.
- E. Review any changes to Chapter 1000 of the Nursing Facility Services Manual.